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## LABOR TURNOVER

In the issue of this Review for June, 1918, an article appeared on "The Problem of Labor Turnover." The author, Mr. Paul H. Douglas, has given several instructive features on the definition, amount, and cost of labor turnover. The fourth part of the article, however, on the causes and remedies, is open to criticism on at least two points: first, the author omits to show that labor turnover is desirable to a certain extent; and, second, he practically ignores one very important remedy, namely, home ownership.

The general impression which is usually conveyed in discussions is that labor turnover is a social evil by 100 per cent. Viewed in a very narrow manner, this may almost be true; but considered in the broad light of human welfare there is nothing to support it. Migration from job to job, from industry to industry, from personal service to industry and from industry to personal service has marked advantages as well as disadvantages. Let the theoretical mental and physical tests be ever so perfect they never will and never can replace selection by actual application. Experience here, as in many other matters, is by far the best and most conclusive test. Not until the person has worked in the position or on the job will he, or some one more competent, know whether he is properly placed.

An individual's general satisfaction also enters into the problem. A man may be entirely capable of performing certain work and still he may not be contented. The place, the environment, the activity or lack of activity may not suit him. A multitude of whims affect one's likes and dislikes. The worker shifts about, for instance, in the plane of unskilled labor until he finds employment which appeals to his particular bent. Such shifting is desirable from the standpoint of the man and of the job. Improved theoretical tests may go far to measure a man's capability, but they will always fall considerably short in gauging adaptability. Experience seasoned by time will always satisfy the inclination. How often we find that an employee is doing satisfactory work but feels that he has "got to get into something else." Men change about until they strike "railroading." The job grows upon them. They stay during life or until pensioned. They may have had any number of jobs before taking up railroad work; however, here the nature of the work, the hours, the team-mates, the chances of promotion, all are to their liking. Whole families and even generations of families go "railroading" or "to sea" after selection by experience. The satisfaction of the employee as well as capability brings the best results.

Another feature: Tens of thousands of instances are at hand to show that ability and capability change with age. For the boy, the young man, the middle-aged man, the elderly man, and the old man employment of different kinds is desirable and usually necessary. Furthermore, not only do the young grow old, but the lean grow fat, the weak grow strong, and the strong grow weak; the dull gain intelligence, while the bright through dissipation lose it. Methods and processes change through inventions and scientific management. Skill becomes obsolete and men refuse to change. Labor turnover readjusts the worker to the work. In certain industries the work is so strenuous that only the young and strong can endure its hardships. Labor turnover must supply the new blood.

Judgment ripens with age and many do not strike "life's gait" until middle age or later. One may pass from unskilled to skilled labor and then to various positions until the executive chair is reached. Some of the greatest administrators of our steel works were once dollar-a-day men, and some of our railroad presidents were once section hands or clerks. Labor turnover here in thousands of ways is evidence of advancements. Let the reader look back into his own career and he will possibly find an appreciable individual contribution to labor turnover. If the race is to live, women must leave gainful occupations and marry into homes. Labor turnover is a sociological necessity.

Due to changing economic conditions the entrepreneur must continually be on the alert to gauge the relative importance of land, labor, and capital; and labor turnover gives him one means of effecting the most economical use of these factors. Therefore, society is greatly benefited by that migration in employment which takes care of all these changes, unavoidable to a large degree. They are natural and must go on. To stop them is impossible, even fatal. Labor turnover is evidence of Mill's dynamic state.

The point to be emphasized here is not so much that a certain portion of labor turnover is desirable, but rather that the study and solution of this problem should divide itself into two broad phases: (1) to define and discourage undesirable turnover; (2) to define and encourage desirable labor turnover. For it is just as scientific to get an individual out of a job or position which he has outgrown or in which he has become inefficient as it is to get him

into one for which he is best fitted. The definition of desirable labor turnover will help to define undesirable turnover, and vice versa.

Home ownership as a remedy for undesirable labor turnover has either been ignored or has not been accorded the prominence it should have. Other things being equal, the worker living to rent in a multiple-family house cannot compare with the worker living in a home of his own. This holds for members of the family gainfully employed as well as for the head of the house.

Home ownership tends to reduce migration of labor. The semigypsy life of the renter has just the opposite effect. Every city has its great moving population. The renter often moves upon the slightest provocation. Instead of facing the problems of home building he avoids them. Instead of taking the constructive attitude of the home builder he is rather destructive. The difference in the mode of living and the philosophy of the two classes must have a marked effect upon their character and also upon their attitude in meeting their daily tasks.

Specifically, then, why should home ownership be encouraged to the maximum? The worker living in an individual home which he owns is more dependable and loyal. He has a direct economic interest in the city as a landowner and taxpayer, and therefore is a more responsible citizen and also a more responsible employee. The more serious attitude of the home owner naturally makes him more thorough in his work. But besides all this, home building affords one of the best avenues for self-expression. Every feature of the house and its surroundings—the arrangement of the rooms. the efficiency of the heating and lighting system, the products of the work-bench in the basement, the condition of the street, the walks, the parking, the garden, the lawn, the trees, the flowers can and should be a source of great pride. Indirectly the home leads to greater self-expression in civic and social affairs. And activity in these affairs affords an outlet for the instincts of selfsacrifice and loyalty. Intelligent voting, prompt tax paying, acceptance of unremunerative civic positions—all give play to these instincts. In acquiring a home and in improving it, the instinct of saving is exercised and developed. Being a successful householder commands the esteem of one's fellows and leads to a high degree of self-respect.

Through this great institution, then, with all its problems and opportunities, the worker employed at monotonous labor and having in no way a real interest in the ultimate product, can find

abundant sources of mental activity during the trying hours of his task, and the instincts of self-expression, loyalty, self-sacrifice, and saving can have full play. Moreover, if his regular work tends to misdirect his physical development the chores in and about the house afford all-round physical exercise. The ultimate result is that the artificial regular work which has no end in itself is rather made a means to an end. It is a means, if the wages and hours permit, toward a full mental and physical development through home building and true citizenship—the foundation of democracy.

City planning and undesirable labor turnover are therefore inextricably interwoven. The city planner, to reduce labor turnover, must do his share in providing land room, good houses, and transportation for the man of small means. And in the United States the aim should be to stress the individual home. In Europe "housing" is in vogue, and it is taking hold here too. Great civic embellishments and colossal city grandeur in Europe stand side by side with widespread multiple-family housing. A committee of the Amalgamated Street Railway Employees of America made an inspection of the housing conditions of their fellows in Europe and in their report stated that few owned their own homes as the wages did not permit home ownership. It probably is not only a question of wages but also involves the economics of city planning. May not the excessive energy and money expended in civic beautification tend to deny the worker, if it does not directly deny him, the opportunity for having his individual home and make it impossible for him to exercise that incentive, that pride in having a sole economic interest in a home "all his own"? The most sacred duty of the American city planner, or replanner, is to so subdivide our precious and exhaustible gift of nature, land, that every square foot will count toward establishing lots within reach of the laborer and clerk. The ideal should be a minimum of investment, taxes, and special assessment, commensurate with comfortable living. House as many families in individual homes as possible and give them good transportation to all parts of the city. There is much at stake here in solving the evils of labor turnover and even labor unrest.

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Note: The American Economic Association could probably render no greater service to mankind than to study the inter-relations here suggested and point out a solution. The economist may well turn city planner. To have good homes in our cities is a national economic problem.